

Cuenta - 6060138-76941 C-06

Contract No. P-12056

**PUERTO RICO ELECTRIC POWER AUTHORITY
CONTRACT FOR ELECTRIC POWER SERVICE**

THIS AGREEMENT is made in consideration of these covenants by and between Puerto Rico Electric Power Authority, hereinafter called the "Authority" and K-MART CORP., hereinafter called the "Customer".

FIRST: The Authority agrees to deliver electric energy to the Customer for operating department store at Road No. 2 Km. 180, Bo. Sabanetas, Mayaguez, Puerto Rico, up to a total capacity of 750 KVA which will be the contracted load under this agreement.

SECOND: Customer agrees to receive and pay for and the Authority agrees to deliver electric energy according to Rate Schedule GSP and with the General Terms and Conditions for the Supply of Electric Energy both of which are attached hereto and form part of this agreement.

THIRD: The General Terms and Conditions for the Supply of Electric Energy and the applicable Rate Schedule are subject to change at any time by the Authority's Governing Board in the manner prescribed by law. Customer hereby agrees that in the event of such change, the new rates, terms and conditions prescribed will apply from the date made effective.

FOURTH: Violation of any of the terms and conditions of this agreement or of the General Terms and Conditions for the Supply of

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Electric Energy will give the Authority the right to discontinue service according to the procedure set forth in such General Terms and Conditions.

FIFTH: All electrical equipment of Customer shall be so constructed, operated and maintained as to preserve its physical condition and not interfere with the operation of other electrical equipment on the Authority's system.

SIXTH: Customer agrees to notify the Authority of any change of name at least thirty (30) days prior to the date in which such change will take place to enable the Authority to contract the service under the new firm's name.

SEVENTH: Customer hereby agrees that if the metering equipment is installed on the secondary side of the transformer, both the demand and energy will be corrected by a 3 percent factor or by a factor determined by the Authority to compensate for the transformer losses.

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EIGHTH: This contract shall be in force for a period of one (1) year, commencing on the date the Authority's lines are connected to the Customer's electrical installations and the delivery of electric energy begins and thereafter will continue to be in force until after the receipt by either party from the other of a sixty (60) days advanced written notice to terminate it.

NINTH: If the Customer decides to end this Contract before its expiration date, or if the Authority terminates this Contract because of the Customer's failure to pay or failure to comply with

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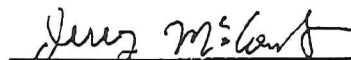
the General Terms and Conditions for the Supply of Electric Energy or because of the Customer's failure to perform the obligations of this Contract, the Authority shall charge to the Customer a penalty equivalent to the total amount of the monthly minimum consumption for the remaining term of this Contract. The Customer shall be liable to the Authority for the total amount of this minimum consumption established as of the prevailing GSP Rate Schedule.

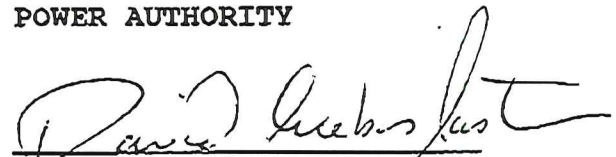
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by their duly authorized officers on this 27 day of March, 1996.

To be in effect this 6 day of March, 1996.

K-MART CORP.

PUERTO RICO ELECTRIC
POWER AUTHORITY


Jerry McCombs
Project Manager


David Cuebas Justiniano
Specialist
Wholesale Section

Billing Address:

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TROY, MI 48084-3163

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